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March 17, 1995

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VIA HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: Oral Ex Parte Presentation in CC Docket No. 94-54/RM-8012

Dear Mr. Caton:

Pursuant to Section 1.1206(a)(2) of the Commission's Rules, 47 C.F.R. § 1.1206(a)(2)(1993), this is to provide an original and one copy of a notice of *ex parte* presentation made in the above-referenced rulemaking proceeding on behalf of SNET Cellular, Inc. ("SCI"), the parent of the general partner in Springwiche Cellular Limited Partnership ("Springwiche"). Springwiche is the wireline Band B cellular carrier throughout Connecticut and areas of western Massachusetts.

On March 16, 1995, Cynthia A. Berry of SCI, and Jean L. Kiddoo of Swidler & Berlin, Chtd., met with Judith Argentieri, Barbara Esbin, Gregory Rosston, and Florence Setzer to discuss the Comments filed by SNET Mobility, Inc. ("SMI"), an affiliate of SCI, on September 12, 1994 in the above-referenced proceeding. In addition, Ms. Berry discussed the "Selective Access" process implemented by SCI since those Comments were filed. Selective Access permits resellers of Springwiche's cellular network services and/or their end users to access several interexchange carriers for their out-of-area toll traffic.

The cost to implement an equal access requirement would be substantial and, SCI submits, not justified by market demand for the service or by the concerns which led to the establishment of equal access requirements in the landline telephone market. For the reasons set forth in the Comments, SCI therefore believes that regulatory action mandating such an effort would impose needless costs on Springwiche, its resellers, and their end users by, among other things, significantly raising administrative costs and reducing IXC competition

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Mr. William F. Caton
March 17, 1995
Page 2

for bulk cellular toll traffic, thereby affecting cellular network rates and, at the same time, reducing for most resellers and end users the toll discounts currently available. (As a result of its ability to negotiate a substantial volume discount from interexchange carriers, SCI offers Springwich's resellers a toll discount of over 20 percent off the standard retail rates which would generally be applied to individual cellular end users. Resellers may then structure their toll rates in the manner which best addresses their target subscriber base and competition.) Given these potential adverse effects of mandated equal access, the Company took the position in its Comments that the marketplace, and not external regulation, should determine the degree to which long distance options are made available.

As noted in the Comments, Springwich and its affiliates have not experienced significant customer demand for access to particular interexchange carriers. Indeed, in the cellular market, the vast preponderance of calling is local in nature, and customers are therefore much more concerned with issues such as coverage and local rates in selecting a service provider. Since 1992, Springwich's cellular competitor has been Bell Atlantic -- a company required by the MFJ to offer equal access. The entry of Bell Atlantic into the market did not signal a marked increase in customer demand for equal access, and its unavailability has therefore not been perceived as a significant competitive disadvantage.

Nevertheless, from time to time resellers and/or their end user customers have requested access to a toll service other than that offered by SCI. Accordingly, in response to such requests from the market, SCI has developed a "Selective Access" arrangement. Under this arrangement, which was implemented in December 1994, cellular resellers and/or their end users currently have access to MCI and Sprint, as well as SCI's discounted long distance service, for their out-of-area toll traffic. In June 1995, AT&T will become the third IXC to be available. (While AT&T expressed an early interest in participating, it has experienced delays as a result of internal network decisions.)


SCI's Selective Access permits resellers to select one of three service options: (1) they may remain subscribed to the SCI long distance service; (2) they may direct all of their end user traffic to one of the available IXCs; or (3) they may permit their individual end users to choose one of the available IXCs or the SCI long distance service. This program was announced to resellers on October 24, 1994. To date, less than 100 end users (out of a total subscriber base of nearly 200,000) have selected a carrier other than SCI's provider for long distance service, and no reseller has elected to move its traffic to MCI or Sprint. Given that the Selective Access program has now been available for three months, SCI believes that this very small sample indicates clearly the appropriateness of letting the marketplace drive the availability of the service, and of not imposing an extraordinarily costly governmental equal access mandate for a service for which there is such small demand. (As the Selective Access program continues, and AT&T and possibly other long distance services become

Mr. William F. Caton
March 17, 1995
Page 3

available, SCI will continue to monitor the process and inform the Commission as to the impact of such additional services on the subscription to the program.)

Should any further information be required with respect to this *ex parte* notice, please contact the undersigned.

Respectfully submitted,


Jean L. Kiddoo

cc: Judith Argentieri (FCC)
Barbara Esbin (FCC)
Greg Rosston (FCC)
Florence Setzer (FCC)
Peter P. Bassermann (SCI)
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